

Reps. Nadler, Lofgren Investigate Status of Compensation for 9/11 Illnesses

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WASHINGTON, D.C. — Congressman Jerrold Nadler (NY-08), Chair of the Judiciary Subcommittee on the Constitution, Civil Rights and Civil Liberties and Congresswoman Zoe Lofgren (CA-16), Chair of the Judiciary Subcommittee on Immigration, Citizenship, Refugees, Border Security, and International Law today held a joint oversight hearing titled, "Paying With Their Lives: The Status of Compensation for 9/11 Health Effects";

"I am outraged that more than six years after 9/11, the heroes of that day are still waiting for the help they deserve," said Rep. Nadler. "The federal government not only failed to protect those who died on 9/11, but it also bears responsibility for not preventing the injuries of thousands more. Obviously, none of this would have occurred were it not for the terrorists, but many of the injuries we are seeing today could have been avoided. Therefore, the federal government has a moral and legal obligation to compensate the living victims of 9/11, to provide for their health, and to attempt to make them whole for their subsequent financial losses. I am confident that, through this investigation, we can find the best way to do so, and I believe it will highlight the necessity for the House to act on the Maloney-Nadler-Fossella 9/11 Health and Compensation Act."

"Congress has an obligation to ensure that the programs it created to assist the victims of 9/11 function efficiently and effectively," noted Rep. Zoe Lofgren. "These programs were created to compensate victims, not to force them into torturous litigation. Since its creation, the Captive Insurance Fund has managed to only pay five claims. At the same time the fund has spent millions in litigation expenses fighting countless other claims. This hearing is an important first step in guaranteeing that the victims receive the compensation they are entitled to under the law."

Previous Congressional investigations have focused on how the federal government should provide health care services for individuals whose health was adversely impacted by the effects of the 9/11 attacks on the World Trade Center. Today's hearing is the first time that Congress focused specifically on the economic losses of those individuals. Many people incurred such losses when they became too sick to work and lost their jobs, while others have inadequate health insurance, and are struggling with exorbitant medical bills.

The hearing examined different compensation approaches used thus far to address 9/11-related economic losses, such as the World Trade Center Victim Compensation Fund (VCF) and the World Trade Center Captive Insurance Company. Reps. Nadler and Lofgren noted that the Captive Insurance Company, created by Congress with a \$1 billion appropriation, has spent millions of dollars in administrative and legal costs to contest, rather than to pay, claims.

Lawmakers also examined the specific problems arising for first responders, workers, local residents, students and other individuals whose illnesses did not become apparent for months or years after September 11, as well as individuals who may become sick in the future. The hearing also provided a venue to consider possible solutions to provide the necessary relief to affected individuals who have and will continue to experience losses, but have thus far seen little or no compensation.

Also, last week, the Second Circuit Court of Appeals found that New York City and its contractors are not immune from lawsuits that have been filed by first responders, residents, area workers, students, and others who were exposed to the environmental toxins and other hazards during the clean-up at the World Trade Center site.

Rep. Nadler's opening statement, as prepared, follows:

"First, let me thank Congresswoman Lofgren for agreeing to hold this oversight hearing. Thank you.

"This joint hearing of the Subcommittee on the Constitution, Civil Rights and Civil Liberties and the Subcommittee on Immigration, Citizenship, Refugees, Border Security, and International Law will investigate the status of compensation for the tens of thousands of people who are suffering because of the collapse of the World Trade Center on 9/11. While other Congressional investigations have focused on the ongoing health crisis, and this committee has previously investigated the disastrous response to the environmental catastrophe, no previous inquiry has focused on compensation for the victims.

"I want to welcome our witnesses and thank them for participating. We are fortunate to have an expert panel with us today to discuss the past successes, current challenges, and proposed solutions in the ongoing struggle to provide proper compensation to the victims of 9/11.

"I would also like to recognize those individuals who have traveled to Washington today to attend this hearing, and thank you for coming. Many of are the very people who have been denied proper compensation thus far, and I hope that we can learn today about why the system has failed so many of you.

"After the collapse of the Twin Towers on 9/11, tens of thousands of first responders, residents, area workers, and students were exposed to a cocktail of toxic substances said to be worse than the Kuwaiti oil fires. They are now coming down with diseases like sarcoidosis, lymphoma, and rare blood cancers. Last June, Senator Clinton and I held companion hearings on the actions of the Environmental Protection Administration and other federal agencies that allowed workers to work in a toxic environment without proper protection and gave them false assurances as to their safety.

"At the House hearing, we heard the callous voice of former EPA Administrator Christie Todd Whitman try to explain why she told New Yorkers that the "air was safe to breathe" when, in fact, she had evidence to the contrary. We reviewed the EPA Inspector General's report which found that her statements "were falsely reassuring, lacked a scientific basis, and were politically motivated." We heard about how the White House changed EPA press releases, "to add reassuring statements and delete cautionary ones."

"Obviously, none of the injuries we are talking about would have occurred were it not for the terrorists, who are ultimately to blame, but many or most would have been avoided if the Federal Government had acted in a responsible manner. The federal government, therefore, has a moral and legal obligation to compensate the victims of 9/11 and to provide for their health.

"Many hearings have examined the health issues and we have heard from many who are too sick to work. And we must assume that many more will become sick in the future. In a September 2006 peer-reviewed study conducted by the World Trade Center Medical Monitoring Program, of 9,500 WTC responders, almost 70 percent of them had a new or worsened respiratory symptom that developed during or after their time working at Ground Zero. Furthermore, another study documented that, on average, a New York City firefighter who responded to the World Trade Center has experienced a loss of 12 years of lung capacity.

"Which brings us to today's hearing. We have with us the former Special Master of the federal Victim Compensation Program who was responsible for providing approximately \$7.1 billion in compensation to the families of those who lost their lives and to those injured in the immediate aftermath of the attacks. He paid claims of about 2900 families of the deceased and 2500 people with physical injuries including respiratory illnesses. The funds he distributed were tax free and every award took into account the recoveries from collateral sources, such as private insurance, pensions, and workers compensation. Claims payments were halted because of a statutory expiration date.

"We will also hear from Mike Valentin a police officer and 9/11 first responder who can no longer work, and who long ago exhausted his prescription drug coverage and is now fighting to keep his family financially afloat. Unfortunately, his case is all too typical.

"New York City Corporation Counsel Michael Cardozo will discuss the World Trade Center Captive Insurance Company, which established with a \$1 billion Congressional appropriation, has spent millions of dollars in administrative and legal costs to contest, rather than to pay, claims filed by first responders and other individuals whom Congress intended to assist. Only a handful of claims have been paid, and none of those have been related to the respiratory problems that so many suffer. I look forward to hearing from him how many claims have been paid out and what he sees as the challenges to compensating 9/11 victims.

"I am sure he will discuss last week's Second Circuit Court of Appeals decision, denying New York City and its contractors immunity from World Trade Center-related lawsuits. Some 8,000 victims have filed suit, claiming that they "suffered respiratory injuries due to the failure of the City and the Port Authority to monitor those conditions and to provide them with adequate safety equipment, and/or warn them of the hazards."

"Finally, I look forward to the testimony of Dr. Jim Melius who is an expert on the proposed legislative solutions to reopen the victim compensation program and to provide for the long term health needs of those affected by the attacks of 9/11.

"I would like to note that my colleagues, Congresswoman Carolyn Maloney and Congressman Vito Fossella, and I have introduced the 9/11 Health and Compensation Act, which would provide comprehensive medical treatment to any person whose health was affected, and reopen the Victim Compensation Fund so that people can be compensated for their economic losses.

"The pain and suffering of the living victims of 9/11 is real and cannot be ignored. I think it is clear that we, as a nation, must do more. During the final months of the Civil War, President Lincoln, in his Second Inaugural Address, noted that the nation had to beyond mourning the dead and needed to look towards what could be done to help the nation recover and reconstruct. Nearly seven years after 9/11, and we are in the same position. We must, as Lincoln remarked, "bind up the nation's wounds [and] care for him who shall have borne the battle and for his widow, and his orphan."

"I hope that as we continue to bring the truth to light through these hearings, we can do a better job of repaying a debt that can never fully be repaid to the victims and heroes of 9/11."

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